

Financial Statements

RSMo 21.795.2

The information in this section is in accordance with the following section of the reporting statute. *"2. The department of transportation shall submit a written report prior to November tenth of each year to the governor and every member of the senate and house of representatives which shall contain the following:*

(1) A comprehensive financial report of all funds for the preceding state fiscal year which shall include a report by independent certified public accountants, selected by the commissioner of the office of administration, attesting that the financial statements present fairly the financial position of the department in conformity with generally accepted government accounting principles. This report shall include amounts of:

- (a) State revenues by sources, amounts of federal revenues by source;*
- (b) Any other revenues available to the department by source;*
- (c) Funds appropriated, the amount the department has budgeted and expended for the following: contracts, right-of-way purchases, preliminary and construction engineering, maintenance operations and administration;*
- (d) Total state and federal revenue compared to the revenue estimate in the fifteen-year highway plan as adopted in 1992. All expenditures made by, or on behalf of, the department for personal services including fringe benefits, all categories of expense and equipment, real estate and capital improvements shall be assigned to the categories listed in this subdivision in conformity with generally accepted government accounting principles; ..." Section 21.795.2, RSMo Supp. 1998.*

As part of the annual report legislation, MoDOT is required to have its financial data audited by an independent accounting and auditing firm. MoDOT retained KPMG LLP, which reviewed the department's financial statements for the fiscal year that ended June 30, 2000.

The audit encompasses the financial operations of the \$1.7 billion dollar agency responsible for building and maintaining the 32,000-mile state highway system, as well as for planning and distributing funds for the state's aviation, waterways, railroads and transit needs. MoDOT has facilities in every county in the state and has over 6,000 employees providing services to the citizens of Missouri.

The fiscal year 2000 auditor's report contains the unqualified opinion of the auditors that the combined financial statements present fairly, in all material respects, the financial position of the department and the results of its operations and cash flows, in conformity with accounting principles generally accepted in the United States. **This is a significant improvement from the prior year auditor's report, which was qualified for certain amounts in the report.** These amounts included department funds expended by other state agencies, claims and judgments payable and amounts related to the operations of the medical and life insurance plan of the department.